

NEWPORT BOROUGH WATER AUTHORITY
REGULAR MEETING MINUTES
February 4, 2019

BOARD MEMBERS PRESENT – Penny Frownfelter, Gerald Robinson, Harry Fahnestock, John McNaughton, and Trevor Kaufman.

OTHERS PRESENT – Adam Britcher (Solicitor), Robert Hasemeier (Engineer) and Dean Miller (Operations Manager).

MEETING CALLED TO ORDER – by Chairwoman Penny Frownfelter at 7:00 P.M.

PUBLIC COMMENT – None

ENGINEER'S REPORT – Robert Hasemeier

1. USDA Meter Financing – USDA requires a separate contract between NBWA and B&L, and Hasemeier is currently awaiting answers to a list of questions that were sent to the state engineer to complete this. Also, there is a need to finalize the scope of work and actions that are to be included in the loan. In addition to the replacement and installation of all customer meters the following projects could be included in the loan: adding two production meters to the River Plant, at a cost of around \$20,000, so that water can both be produced and used at the same time; adding a production meter at Howe; and a replacement meter at Well #1.

Another issue to consider is whether the costs associated with the Buffalo Crossing project and how to move water from Howe Township both into the Borough and around the Township are to be included in the loan. The project would require two meters along Red Hill Road, one to meter the flow going into the Township and one for the flow to the Borough. The meters would replace the series of valves that are currently in use and would increase the Authority's ability to use well water when there is high turbidity in the river water which decreases production. It will cost around \$10,000 to model the system for fire flow and to size the piping.

The current production meter at well #1 exceeds the SRBC requirements and it's use puts the Authority in violation. A new submersible pump at a cost of around \$27,000 could be purchased to bring production into compliance. Three quotes will be needed to approve the purchase, once these are obtained the Board will be able to approve the purchase and budget the expenditure for April or May of this year.

DEP has noted that the chemical addition equipment at the Howe Township treatment facility is nonfunctioning. Two quotes have been received and grants have been applied for that have not been approved. A discussion needs to be initiated with Buffalo Crossing about paying for all or a portion of the costs to upgrade the facility so that it can provide the water that they will require. Also, it should be determined if those costs are part of the tapping fee or if that should be negotiated separately. Hasemeier & Miller will seek quotes for this project.

Frownfelter added that there was a meeting with Sean from USDA, who provided the Authority with a list of items that will be required to move forward with the financing. The meter replacement project with installation will cost \$350,000 to \$400,000. Even though it will be a 40-year loan, the useful life of the meters is only 10 to 15 years, so the expectation is that money will be put aside so that funds are available to replace the meters. That requirement will be included in the loan agreement.

Miller suggested that we adopt AWWA standards which require individual commercial customers to test their meters at designated intervals, depending on the size of the meter. It is an on-going program that places responsibility on the property owner to have testing done and to then provide the testing results to the Authority.

2. Buffalo Crossing – To be determined is what upgrades and repairs to the water system the developer will be required to pay for, possibly in exchange for a reduced tapping fee. The Authority is permitted to draw and provide enough raw water for their usage, but the issue is whether enough water can be produced and delivered when needed, especially to comply with fire flow specifications. In addition, the Authority will need to know if the current tank is big enough or if an additional tank will be required and if a Booster Station needs to be installed.
3. Howe Dam screen – The details have been provided but will need to wait until warm weather for installation. The Authority's two-year window to comply is up this spring and at that time progress must be demonstrated to Dam Safety.

OPERATIONAL REPORT – Dean Miller

1. Update 5th/6th/Fickes – No complaints in the last 30 days.
2. Oliver Township project – The Oliver Township engineer reported that there is settling over the sewer main on Fickes Lane, so they will be installing geo grid in the spring or summer. They would like to know if the Water Authority will want to replace the water main at that time. Miller let them know that there would not be the necessary funds available, so when they redo the road, they will only work on the half over the sewer main.
3. River Plant operation – Production is going well but is dependent on the quality of the water from the river. Parts have been purchased for the influence screen and technician's will be here on the 19th to work on the repairs.
4. Lead & copper testing & DEP feasibility study – Work is in progress to put together a sampling plan to be submitted to DEP.
5. Buffalo Crossing – The water main has been located on the opposite side of Route 34 where they would potentially be connecting, and they submitted a preliminary plan design with connection points.
6. New project – Developers are working on a possible new project behind Giant. They have been given an application for service so a proper analysis of their needs can be completed.
7. As a result of the extreme temperatures in the past week, there have been calls about frozen meters and pipes bursting. Six meters have been replaced in the past few days, mainly due to unheated basements.

SOLICITOR'S REPORT – Adam Britcher

1. Liens/Sheriff Sales – None
2. Real estate or personal property claim – Britcher provided a handout to be included in the Board packet. The handout lists the steps for filing a municipal claim on real estate and personal property. A threshold should be established, which when reached starts the claim filing process, possibly \$1,000 and/or a set number of months without payment. If the customer files for bankruptcy, an additional claim can be filed in bankruptcy court. The issue of a threshold for claims is tabled until additional information is gathered.
3. Sewer overpayment – The Sewer Authority wants assurance that this would be the final payment. To ensure this dollar amount is correct they have decided to wait for the completion of their audit to see if it shows up as funds owed.

TREASURER'S REPORT –

1. Delinquent Accounts –

Moved by McNaughton, seconded by Kaufman to approve the Treasurer's report. Motion carried unanimously.

Moved by Robinson, seconded by Fahnestock to approve January bills. Motion carried unanimously.

Moved by Robinson, seconded by Fahnestock to approve the January Adjustment Report, with the comment from Britcher that sheriff sales do not divest unpaid bills. Motion carried unanimously.

APPROVAL OF MINUTES – Moved by McNaughton, seconded by Fahnestock to approve the January 14, 2019 regular meeting minutes. Motion carried unanimously.

OLD BUSINESS –

1. Paid Time off/Sick Time/Vacation – Frownfelter’s suggestions are to increase the limit on accrued sick time to 60 days, to limit use of sick time to leaves of absences of more than five days and to consider short-term disability. Tabled for a revised proposal and discussion at a future meeting.
2. PMRS resolution –

Resolution 2019-1 increases the PMRS benefit accrual rate from .5% to 1%. Moved by Robinson, seconded by McNaughton to pass Resolution 2019-1. Motion carried unanimously.

3. Dental renewal – The dental plan will remain with United Concordia, since they offer better coverage for both in and out of network services.
4. Vehicle purchase – A 4WD truck was located through CarMax at a total purchase price of \$28,383. Britcher mentioned that purchases over a certain dollar amount will require a bidding process.

Moved by McNaughton, seconded by Kaufman to purchase the 2014 Nissan 4WD truck, pending the outcome of Britcher’s investigation into the rules of municipal purchases. Motion carried unanimously.

5. Capital expense – The policy the Board approved last month needs to be amended to include the depreciation rate of equipment and system improvements.

Moved by Robinson, seconded by McNaughton to set the Capital Expense threshold to any purchase over \$2,000 for equipment that can be depreciated over 3 to 5 years and for plant or system improvements that can be depreciated over 5 to 40 years. Motion carried unanimously.

Moved by Kaufman, seconded by Fahnestock to move into Executive Session to discuss possible litigation at 8:20 p.m. Moved by Robinson, seconded by McNaughton to move out of Executive Session at 8:35 p.m.

ADJOURNMENT – Moved by Kaufman, seconded by McNaughton to adjourn the meeting at 8:36 P.M. Motion carried unanimously.

Debra Kunish
Recording Secretary